



DR. JOE SHIRLEY, JR.
President

BEN SHELLY
Vice President

May 26, 2010

Julius Genachowski, Chairman
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Re: Petition of Smith Bagley, Inc. for Limited Waiver of Interim Cap on Universal Service High-Cost Support WC Docket No. 05-337

Dear Chairman Genachowski:

Please recall that I wrote you on January 25, 2010, in regard to the petition of Smith Bagley, Inc., for a limited waiver of the interim cap on Universal Service High-Cost Support in WC Docket No. 05-337. In that letter, I emphasized that the Eastern Agency of the Navajo Nation should be considered tribal lands for purposes of the FCC's order to lift the interim cap on High-Cost Support. The Eastern Agency is Navajo Indian Country and like other agencies of the Navajo Nation is deserving of sufficient investment in telecommunications infrastructure to meet the needs of our tribal members living there.

However, it has recently come to my attention that there are additional policy concerns in this matter that the Navajo Nation Telecommunications Regulatory Commission (NNTRC) would like to consider before the FCC makes a final decision. The NNTRC is the Navajo Nation's regulatory body charged pursuant to Navajo law with formulating the Nation's telecommunication policies and with regulating ILECs and CLECs operating in Navajo Indian Country. As your April 21, 2010 Notice of Inquiry (NOI) and Notice of Proposed Rulemaking (NPRM) reflect, the Universal Service Fund is in need of comprehensive reform and tribes are uniquely situated to provide input to the FCC on how build out of telecommunications infrastructure in Indian Country, with Universal Service Funds, can be more economical and effective.

As a matter of comity, in consideration of our government to government relationship and the Presidential Memorandum of November 5, 2009 requiring Federal agencies to consult with tribes on issues in Indian Country, and consistent with the FCC's recent pledge to involve tribes in developing telecommunications and broadband policies on tribal lands, I ask that you withhold a final decision in this matter until the NNTRC has had an opportunity to obtain more information

from the involved parties and the NNTRC has formulated and provided to the FCC the Nation's official policy in this important matter.

If you have any questions or concerns, please call Brian Tagaban, Executive Director of the Office of the NNTRC, at 928-871-7854.

Sincerely,



Dr. Joe Shirley, Jr., President
THE NAVAJO NATION